

DRAFT FOR COMMENT ONLY



ECONOMIC EDUCATION K-12 HANDBOOK

UTAH
ECONOMIC EDUCATION
HANDBOOK
For
K-12 TEACHER

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2002

Dear Utah Educators:

While taking an Economics course is “elective,” individual participation in our economy is not. Increasingly, young people are making economic and financial choices without clear knowledge of the consequences.

The Utah Council on Economic Education exists, in part, to provide support and resources for economic education in Utah schools. In so doing, we have compiled this *Utah Economic Education Handbook for K-12 Teachers* to assist teachers in integrating economic content throughout the k-12 curriculum. We believe it is a complete and useful instrument and hope you will use it often.

We appreciate the many hours Dr. Joe Baker from Southern Utah University and Forrest Fannesbeck from Dixie High School gave to developing this handbook. We also thank all Utah teachers for their eagerness to teach essential knowledge and skills to Utah students.

Dr. Kelly K. Matthews
Senior Economist
Wells Fargo Bank
and
President
Utah Council on Economic Education

Picture

Dear Utah Educators:

This *Utah Economic Education Handbook for K-12 Teachers* provides state and national standards for each grade level, suggested classroom activities, state economic education programs and events, and many web sites designed to enhance teacher knowledge and provide classroom activities.

Economic and financial concepts are part of students' lives from their first piggy bank to their first mortgage and beyond. Integrating economic content throughout the K-12 experience is essential.

I appreciate the efforts of the Utah Council on Economic Education in providing this handbook for Utah teachers. It is a complete guide and answers the how and why of teaching k-12 economics.

Steven O. Laing, Ed. D.
State Superintendent of Public Instruction

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UTAH COUNCIL ON ECONOMIC EDUCATION

UTAH COUNCIL ON ECONOMIC EDUCATION

VISION

An educational environment in Utah where a student's K-12 learning experience will provide understanding of economics sufficient to make informed choices as consumers, producers, and citizens.

MISSION

The mission of Economic Education is to create, improve, and support K-12 economic education programs throughout Utah by helping teachers learn economics and providing methods and materials for teaching it effectively.

The Utah Council on Economic Education (UCEE) is a state affiliate of the National Council on Economic Education. The UCEE was established in Salt Lake City in 1962. The UCEE meets quarterly and is structured with officers and committees and serves as an advisory board to the State Board of Education.

The purpose of the Utah Council on Economic Education is to promote economic education in Utah by:

- A. Exploring economic problems of concern to students and recommending improved economic education methods, curricula, or procedures;
- B. Developing and/or distributing resource materials to assist educators in better understanding our economic system;
- C. Assisting in financing economic education with primary emphasis upon development of improved methods, materials and teacher training;
- D. Planning developing, and conducting in-service economic education seminars and courses for teachers in cooperation with the State Office of Education, colleges and universities, and other educational organizations;
- E. Assisting educational agencies and organizations in the evaluation of the effectiveness of existing or proposed economic education programs.

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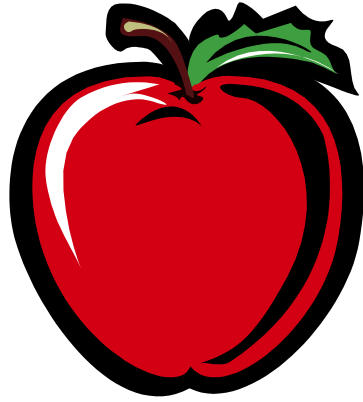
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Utah State Office of Education

Mark Snyder

Assistant Secretary/Controller
Utah Division of Securities



Economic Education Kindergarten

Economics in Utah's Primary Schools Grades K-4

The Utah state standards for these grades are very limited, primarily focusing on the “time-people-place” theme. It is suggested by the Utah Council on Economic Education that teachers follow the national standards for these grades as recommended by the National Council on Economic Education (NCEE)¹. Each of the grade levels that follow has both the Utah State Office of Education (USOE) concepts and the NCEE concepts. For each grade level, suggested lessons and teaching strategy are included. Lessons and activities are included in the appendix to this section. Although the lessons and activities are grade-level specific; teachers will find that most of the lessons can be adopted for other grades with small modifications.

KINDERGARTEN

Kindergarten students should be introduced to the basic idea behind economics: scarcity and choice. At the kindergarten level, students learn simple definitions that can be expanded on in later grades.

Scarcity is the condition of not having all of the goods or services you want. This necessitates choice. Kindergarten students should be introduced to the economic problem of scarcity and choice through classroom activities.

NCEE key economic concepts:

1. Scarcity- the condition of not having all the goods or services that we want. (NCEE standard 1)
2. Choice- what someone must make when faced with two or more alternative uses for a resource, also called an *economic choice*. (NCEE standard 1)
3. Goods- objects that can be held or touched that can satisfy people's wants. (NCEE standard 1)
4. Services- activities that can satisfy people's wants. (NCEE standard 1)

USOE key economic concepts: USOE has not specific economic concepts required for grade K. The following standard is closely related to identifying occupations:

¹ Please see the section on “Index of Standards” for more detail on the NCEE standards.

USOE Standard/Objective	Description	National Content Standard
Standard 6000-02	Students follow family and classroom rules and directions.	NA
6000-0201	Describe jobs of people at home and at school.	Standard 6 labor and specialization

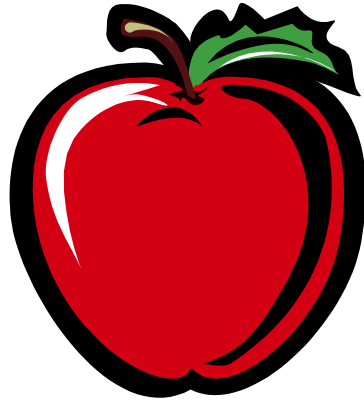
Suggested lessons and teaching strategy: The following lessons focus upon the NCEE standards:

“Grandma’s Birthday Money” in appendix. This lesson is easy to do and requires little preparation. It covers the basic concepts of scarcity, choice, goods, and services. (NCEE standards 1; scarcity, choice, goods and services)

“If You Give a Mouse a Cookie” in appendix. This lesson uses a wonderful story to teach students about goods, services, and unlimited wants. (NCEE standards 1, scarcity, goods and services)

Econ and Me, lesson 1 “Scarcity.” Available free from the Utah Council on Economic Education (see state resources section). This video lesson helps students understand scarcity and choice (NCEE standard 1).

KinderEconomy +, Chapter 1, “Scarcity.” Available from the NCEE. This chapter has a 9-day outline of activities and lessons to teach K-3 students about scarcity, choice, goods, services, and other concepts.



Economic Education First Grade

FIRST GRADE

The NCEE standards suggest that First graders should be introduced to one of the most fundamental concepts of economics: opportunity cost. Opportunity cost is simply what you must give up to obtain something.

In Kindergarten, students will have covered scarcity, goods, services, and choice. These concepts should be reviewed in first grade. The idea of opportunity cost is the next logical step; it is a consequence of choice. In addition, first grade students should learn that goods and services are produced from human, capital and natural resources. The NCEE also suggests that first graders learn the difference between barter and money exchange.

The USOE social studies unit “School and Neighborhood Communities” fits in quite well with the NCEE standards regarding resources. This USOE unit requires that first graders learn about different occupations (human resources) and neighborhood features (capital and natural resources).

NCEE key economic concepts:

1. Opportunity Cost- opportunity cost is the highest valued alternative that must be foregone because another option is chosen. (NCEE standard 1 opportunity cost)
2. Resources (also called productive resources)- productive resources are all natural resources, human resources, and human-made resources (capital) used in the production of goods and services. (NCEE standard 1 resources)
 - a. Natural Resources- “gifts of nature;” they are present without human intervention (e.g., water, minerals, timber, oil). (NCEE standard 1 natural resources)
 - b. Human Resources- the quantity and quality (e.g., skills and training) of human effort directed toward producing goods and services (NCEE standard 1 human resources)
 - c. Capital Resources- goods made by people and used to produce other goods and services (e.g., factories, tools, buildings, computers). (NCEE standard 1 capital resources)
3. Barter- the direct trading of goods and services between people without the use of money. (NCEE standard 5 barter)

USOE key economic concepts: USOE has no specific economic concepts required for grade 1. However, as part of the “School and Neighborhood Communities” unit students are required to learn about human and natural resources:

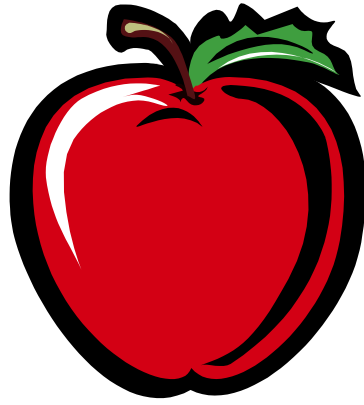
USOE Standard/Objective	Description	National Content Standard
Standard 6010-03	Students identify people and their roles in schools and neighborhoods	Standard 6 labor and specialization
6010-0301	Identify people in school and in the schools and neighborhoods. <ul style="list-style-type: none"> Identify people in the school; e.g., principal, secretary, counselor, custodian, cafeteria worker, students, teachers. Identify people in the neighborhood; e.g., friends, neighbors, police, businesspeople 	Standard 6 labor and specialization
6010-0302	Connect people with their roles. <ul style="list-style-type: none"> Describe roles of people in school. Describe roles of people in neighborhoods. 	Standard 6 labor and specialization
Standard 6010-06	Students recognize features of the physical environment of the neighborhood	Standard 1, natural resources
6010-0601	Describe neighborhood terrain and features <ul style="list-style-type: none"> Identify features of the neighborhood; e.g., hills, mountains, streams, parks. 	Standard 1, natural resources
Standard 6010-02	Students recognize how technology affects their life	Standard 15 technological change
6010-0203	Describe how technology helps workers	Standard 15 technological change

Suggested lessons and teaching strategies: Please note that opportunity cost is a VERY important concept (NCEE standard 1). Included are two lessons that cover both productive resources and opportunity cost.

“Mystery Workers,” *Master Curriculum Guide K-2*, (New York: NCEE), Lesson 6 (in appendix). This is an excellent lesson that covers some of USOE and NCEE standards (productive resources as well as different jobs people have). NCEE Standard 1, goods, services, producers, natural resources, capital resources). “We Decide,” *Master Curriculum Guide K-2*, (New York: NCEE). Lesson 13. (in appendix). This lesson examines the concepts of choice and opportunity cost (NCEE Standards 1 opportunity cost and scarcity).

Goat in the Rug (in appendix): this is an excellent lesson for first grade. This lesson addresses NCEE standard 1 regarding productive resources (natural, human and capital resources) with a strong “people-place-time” theme. This lesson also includes language arts skills.

Econ and Me, lesson 2 “Opportunity Cost.” Available free from the Utah Council on Economic Education. (NCEE Standard 1 opportunity cost).



Economic Education Second Grade

SECOND GRADE

In first grade, students should have been introduced to the concepts of productive resources (natural resources, labor and capital). In second grade, we build on the idea of producing goods and services by introducing producers, consumers, specialization and interdependence. Lesson 6 ("Mystery Workers") from the *Master Curriculum Guide K-2* (also included in the first grade section) is an excellent review of productive resources and introduces the concepts of producers and consumers.

The USOE social studies curriculum guide covers several economic concepts that have been introduced in earlier grades (goods, services, consumers, productive resources).

NCEE key economic concepts:

1. Interdependence: dependence upon others for goods and services; occurs as a result of specialization (NCEE standard 6 interdependence).
2. Money- a generally excepted medium of exchange (NCEE standard 11 money).
3. Producers- people who make goods and provide services (NCEE standard 1 producers and entrepreneurs)
4. Consumers- people whose wants are satisfied by using goods and services (NCEE standard 1 consumers)
5. Specialization- when people produce a narrower range of goods and services than they consume (NCEE standard 6 specialization and interdependence).

USOE key economic concepts: USOE standards focus upon communities and how they change; part of this focus is based upon production in communities:

USOE Standard/Objective	Description	National Content Standard
Standard 6020-01	Students show the sequence of change in communities over time	N/A
6020-0101	Identify factors that contribute to the growth of a community; e.g., industry, natural resources, transportation	Standard 1 productive resources, natural and capital resources
Standard 6020-04	Students identify goods and services, where they come from, and how to get them	Standard 1, goods, services; standard 7 producers and consumers
6020-0401	Identify goods and services and where they come from <ul style="list-style-type: none">• List goods and services and determine whether they come from inside or outside the community	Standard 1, goods, services; standard 7 producers and consumers, standard 5 imports and exports

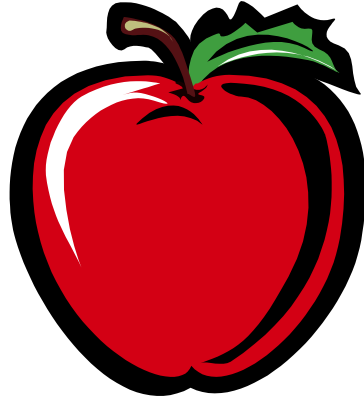
USOE Standard/Objective	Description	National Content Standard
6020-0402	Identify the sources of goods and services within the community. <ul style="list-style-type: none"> • Identify the role of agriculture and industry. • Identify and list occupations that are generated for community services, e.g., policeman, fireman, school teacher 	Standard 1, goods, services; standard 7 producers and consumers Standard 6 labor and specialization
6020-0403	Differentiate between wants and needs of consumers.	Standard 1 wants

Suggested lessons and teaching strategy: As a means of review and to introduce the concepts of producers and consumers as well as productive resources (USOE objective 6020-0101) it is suggest that the activity “Mystery Workers” from the first grade section be completed. Other lessons that can be used:

Specialization and the Division of Labor, *Play Dough Economics* (New York: NCEE), Lesson 8 (in appendix). *Play Dough Economics* is a wonderful book with several lessons for K-3 classrooms. This lesson covers the economic concepts productivity, specialization, and division of labor, efficiency, and productive resources. (NCEE standards 1 productive resources, standard 6 specialization and productivity)

Econ and Me, lesson 5 “Interdependence.” Available free from the Utah Council on Economic Education (see state resources section). (NCEE Standard 6 specialization and interdependence).

Econ and Me, lesson 3 “Consumption.” This lesson shows how money can be used to purchase goods and services. Available free from the Utah Council on Economic Education (see state resources section). (NCEE Standard 11 money).



Economic Education Third Grade

THIRD GRADE

Third grade students should be introduced to markets and economic interdependence. Markets are a way that society organizes economic activity; however for markets to work government must make rules (laws), protect private property, and provide a monetary system (money).

Markets sometimes “fail” and do not do a good job of producing some types of goods or services, such as police protection. Governments therefore produce these “public goods”. The USOE core introduces third graders to the role of government in the economy, and the effect of natural resources on economic activity.

NCEE key economic concepts:

1. Division of Labor -The process whereby workers perform only a single task or very few steps of a major production task, as when working on an assembly line. (NCEE standard 6 division of labor)
2. Markets-Any setting where buyers and sellers exchange goods, services, resources, and currencies. (NCEE standard 7 markets, producers and consumers)
3. Price- The value of a good or service stated in money terms. (NCEE standard 8 prices)
4. Public Goods – Some goods and services are provided by the government. They often too expensive or not practical to be obtained by individuals. (NCEE standard 16 public goods)

USOE key economic concepts:

USOE Standard/Objective	Description	National Content Standard
Standard 6030 – 04	Students examine how government and economies develop as the indigenous community develops	N/A
6030-0401	Identify the role of government; e.g., make laws, require taxation, provide education	Standard 16 public goods
6030-0402	Identify the factors that determine economic development <ul style="list-style-type: none">• Identify natural resources within environments that provide for community development.	Standard 15 Investment and economic growth

USOE Standard/Objective	Description	National Content Standard
	<ul style="list-style-type: none"> Trace the emergence of occupations relative to available natural resources Identify producers and consumers in local communities Identify the relationship between producers and consumers, supply and demand Describe the economies of the local people and the Inca of South America 	<p>Standard 1 natural resources</p> <p>Standard 7 producers and consumers</p> <p>Standard 7 supply, demand</p>

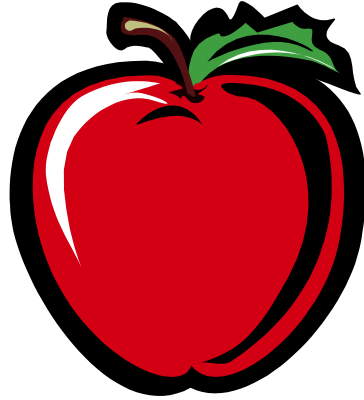
Suggested lessons and teaching strategy:

Goat in the Rug (in appendix): this is an excellent lesson for third grade. This lesson addresses most of USOE 6030-402 (NCEE Standards 7 producers and consumers, standard 1 natural resources, and occupations related to natural resources). The Utah requirements are focused upon how local resources influence what is produced and therefore occupations; this lesson covers this quite well. It is suggested that teachers emphasize this point in the lesson. This lesson also reviews grade 1 concept of productive resources. This lesson also includes language arts skills.

Econ and Me, lesson 3 “Consumption.” Available free from the Utah Council on Economic Education (see state resources section). This lesson helps students identify government goods and services (NCEE standard 16 public goods, which is USOE requirement).

Beanie Baby Prices Soar, available free on EconEd Link. This lesson discusses the market for beanie babies. Students go to web sites to examine prices, demand and supply. (NCEE Standards 7 demand, supply, and prices)

Children in the Marketplace Lesson Plans in Economics for Grades 3 and 4, available from the NCEE. This is an inexpensive and comprehensive book for these grade levels that covers all required concepts. Lesson 2 (“Smiley’s Bookmark Company”) in particular covers USOE requirements well.



Economic Education Fourth Grade

FOURTH GRADE

Fourth grader economics builds on the concepts of markets and economic interdependence (which should be introduced in grade three) and are introduced to economic interrelationships: economic systems, market economies, and trade/exchange. These ideas begin to explain how economic units interact with each other.

The fourth grade USOE social studies curriculum guide follows these ideas quite closely, emphasizing the development of a free market economy in Utah. As with previous grades, USOE requires fourth grade students to identify the role of natural resources in Utah history and culture.

NCEE key economic concepts:

1. Market economy- system where major production and distribution decisions are made by in a decentralized manner by individual households and firms following their own self-interest. (NCEE standard 3 market economy)
2. Circular Flow- the circular flow model shows the interactions between households and producers in product and resource markets. (NCEE standard 18 circular flow)
3. Trade and Exchange - trading goods and services with people for other goods and services or for money is called exchange. (NCEE standard 5 voluntary exchange)

USOE key economic concepts:

USOE Standard/Objective	Description	National Content Standard
Standard 6040-03	Summarize how a constitutional government and free market economy developed in Utah.	Standard 3 economic systems and market economy
6040-0302	Trace the development of a free market system in Utah <ul style="list-style-type: none">• Trace the development of a business from its beginning, its market for goods and services, and its growth.• Analyze the role of the worker in a business; e.g., division of labor, worker's needs, wages, contribution to the business, work ethic.	Standard 3 market economy Standard 6 specialization and division of labor

USOE Standard/Objective	Description	National Content Standard
	<ul style="list-style-type: none"> Analyze the role of the consumer in business; e.g., revenue, advertising, quality, cost value. 	
6040-0303	Analyze the role of the worker in a business <ul style="list-style-type: none"> Differentiate the roles of workers in business. Identify the needs of workers. Identify the workers contribution to business success. 	Standard 6 specialization and division of labor
6040-0101	Recognize the sequence of change in Utah over time. <ul style="list-style-type: none"> Identify the factors that contributed to the development of the land; e.g., location, natural resources, climate. Identify factors that have historically contributed to the growth of Utah; e.g., agriculture, industry, resources. 	Standard 1 productive resources
6040-0502	Objective Identify and compare the industries found in Utah with those in Japan. <ul style="list-style-type: none"> List the major industries of Utah and Japan; e.g., transportation, mining, manufacturing, agriculture, tourism, services industry. Determine the factors that influence the growth of industries, e.g., geographic, economic, and political. 	Approximately standard 14, profits and entrepreneurs, Standard 3 economic systems

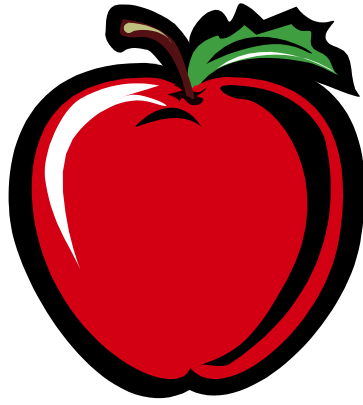
Suggested lessons and teaching strategy: Much of the NCEE and USOE requirements at this grade level relate to free markets. That is, much of the growth and change in Utah industry is related to economic incentives and markets. Although the early growth of Utah was for religious reasons, later immigration was largely based upon economic incentives. As such, focusing on the fundamentals of a market economy, trade, and the circular flow will provide a strong economic foundation for fourth grade students.

Circles Within Circles, *Master Curriculum Guide 3-4* (New York: NCEE), lesson 6 (in appendix). This is a wonderful lesson that touches on several of the grade four NCEE and USOE concepts: markets, income, revenue, costs of production,

profit. (NCEE standards 7 markets and consumers, standard 5 voluntary exchange, standard 14 cost and profit)

People Benefit from Trade, *Children in the Marketplace, Grades 3 & 4* (New York: NCEE), lesson 5. Through the use of “Gerry’s Lemonade Stand,” students learn the concepts of price, markets, exchange, income, profit. (NCEE standard 7 markets, standard 8 prices, Standard 5 voluntary exchange, standard 14 cost and profit)

Dandy Dollar Takes a Trip, *Economics for the Elementary Classroom* (St. Louis: Spec Publishers), lesson 2.5. This lesson fits in well with both NCEE and USOE requirements. Students learn the circular flow concept by tracing the path of Dandy Dollar. (NCEE standards 5 voluntary exchange and 18 circular flow; also USOE objective 6040-0303)

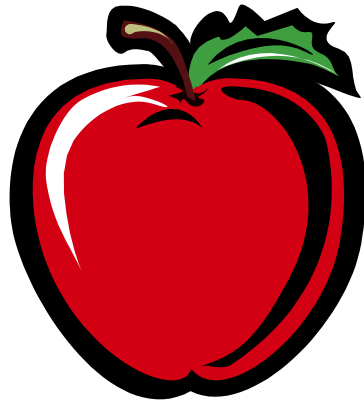


Economic Education Fifth – Eighth Grades

Economics in Utah's Middle/Intermediate Schools Grades 5-8

As was the case for grades K-5, the Utah state standards for these grades 5 and 6 are very limited, primarily focusing on the “time-people-place” theme. It is suggested by the Utah Council on Economic Education that teachers follow the national standards for these grades as recommended by the National Council on Economic Education (NCEE)². For grades 7 and 8, the USOE standards have economics content and the suggested lessons and teaching strategies focus upon these USOE standards. Lessons and activities are included in the appendix to this section. Although the lessons and activities are grade-level specific; teachers will find that most of the lessons can be adopted for other grades with small modifications.

² Please see the section on “Index of Standards” for more detail on the NCEE standards.



Economic Education Fifth Grade

FIFTH GRADE

In fifth grade, students are introduced to what economists call “price theory,” that is, how demand and supply determine price. Fifth graders are also introduced to the idea of economic investment. Economists view investment as the acquisition of human capital (education and training) or physical capital (factories, machines, tools). Investment increases the ability of individuals and economies to produce goods and services.

The USOE grade five social studies curriculum guide covers US history and government. Economics in grade five is therefore actually “economic history,” for example, economic reasons for the western expansion, labor unions, and effect of the great depression.

NCEE key economic concepts:

1. Factors of Production- resources used by businesses to produce goods and services. (NCEE standard 1 productive resources)
2. Investment in Capital Resources- businesses purchase of new plant and equipment (NCEE standard 15 investment in capital)
3. Investment in Human Resources- activities that increase skills and knowledge of workers. (NCEE Standard 15 investment in human capital)
4. Trade-offs- getting more of one thing by giving up something else. (NCEE standard 2 decision making)
5. Demand- a schedule (table) of how much consumers are willing and able to buy at all possible prices in a given period of time. (NCEE standard 8 law of demand)
6. Supply- a schedule (table) of how much producers are willing and able to sell at all possible prices in a given period of time. (NCEE standard 8 law of supply)
7. Equilibrium Price- the one price in which quantity supplied equal quantity demanded. (NCEE standard 7 equilibrium price)

USOE key economic concepts: Most of these concepts related to economic history. The closest NCEE standard is 4; which states that economic incentives are powerful motivating factors (people respond to incentives in predictable ways).

USOE Standard/Objective	Description	National Content Standard
Standard 6050-01	Students examine the sequence of events that led to the development of the New World and the United States.	N/A
6050-0101	Generate reasons for exploration and settlement in the New World <ul style="list-style-type: none"> Determine reasons for exploration of North America; e.g., economic, religious, political, adventure. 	Standard 4 economic incentives
Standard 6050-03	Students analyze the emergence of the United States as a world influence from 1900 to the present.	N/A
6050-0301	Examine the effects of WW I and the Great Depression on the United States. Examine the consequences of the Great Depression on the United States.	Standard 4 economic incentives
6050-0302	Analyze the major causes and effects of WW II. <ul style="list-style-type: none"> Identify economic impacts of WW II on individuals and the nation, e.g., rationing, government bonds, education, move to industrial society 	Standard 18 circular flow
Standard 6050-04	Students analyze the contributions of key individuals and groups in the development of the New World and the United States.	N/A
6050-0401	Analyze the role of American Indians, explorers, and leaders in the development of the New World. <ul style="list-style-type: none"> Explain the reasons early leaders established the first colonies; e.g., religion, expansion, economics. 	Standard 4 economic incentives

Suggested lessons and teaching strategy: It is suggested that grade five teachers focus upon the NCEE standards, and cover the USOE concepts as part of U.S. history. Some suggested lessons:

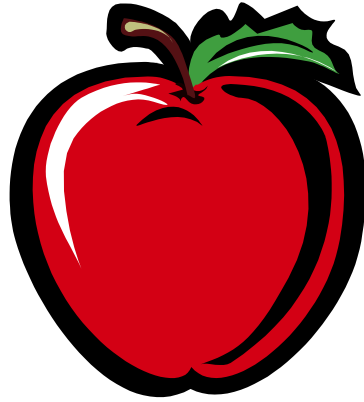
“Market Balance,” lesson 11, *Master Curriculum Guide in Teaching Economics: Grades 5-6* (New York: NCEE). In appendix. This is a comprehensive lesson that covers idea of demand, supply, equilibrium price, and markets. (NCEE

standards 7 markets and equilibrium price, standard 8 laws of supply and demand)

“Graphing Demand,” lesson 5; and “Producers and Supply,” lesson 9; both from *Master Curriculum Guide in Teaching Economics: Grades 5-6* (New York: NCEE). These two lessons are great introductions to the fundamental concepts of demand, producers and supply. (NCEE standard 8 laws of supply and demand)

“The Terrific T’s Company: Production Decisions,” unit 3 lesson 7 in *Focus: Middle School Economics* (New York: NCEE). This lesson shows students how investment in capital and human capital (training) can increase productivity. (NCEE standards 1 productive resources, standard 15 investment in factories, machinery and education and productivity)

“No Free Lunch,” unit 4 lesson 14 in *Focus: Middle School Economics* (New York: NCEE). This lesson allows students to learn that there are costs and benefits of actions, and that to gain something, you must give up something (a “trade-off”). Student must decide if they want to reduce school athletics to pay teachers more. (NCEE Standard 2, decision making and benefits and costs).



Economic Education Sixth Grade

SIXTH GRADE

In grade six, students are introduced to the economics of the firm...cost of production, taxes, entrepreneurship, profit. In addition, the idea of markets and price theory (see grade five) are extended to include surpluses and shortages.

USOE social studies requirements focus upon “ancient world civilizations and European influence,” this is essentially an introduction to world history and culture. The economic content in this course is historical and comparative in nature, looking at the economics of ancient Egypt and Europe; as well as the economic consequences of events such as the Industrial Revolution and WW I.

NCEE key economic concepts:

1. Competition - the level of competition is largely determined by the number of buyers and sellers in a market. (NCEE standard 9 levels of competition)
2. Costs of Production- all resources used in producing goods and services, for which owners receive payment. (NCEE standard 14 costs of production)
3. Profit- the difference between total revenue and total cost of a business, it is the income to the entrepreneur. (NCEE standard 14 profit)
4. Entrepreneurship- the human resource that assumes the risk of organizing other resources to produce goods and services; business owners. (NCEE standard 14 entrepreneurship)
5. Incentives- Prices, profits, and losses act as incentives for households and firms to take action in a market economy. (NCEE 14 entrepreneurship)
6. Taxes- required payment to government by households and firms; taxes are used by the government to provide goods and services. (NCEE standard 16 taxes)
7. Unemployment- unemployed people are those who are willing and able to work at current wage rates, but do not have jobs. (NCEE standard 19 unemployment)
8. Shortages- when the quantity demanded for a good is greater than the quantity supplied at current prices. (NCEE standards 7 shortages)
9. Surpluses- when the quantity demanded for a good is less than the quantity supplied at current prices. (NCEE standard 7 surpluses)

USOE key economic concepts:

USOE Standard/Objective	Description	National Content Standard
Standard 6060-01	Students identify the sequence of events that led to ancient civilizations.	N/A
6060-0102	Identify the sequence of history in the Fertile Crescent and ancient Egypt: <ul style="list-style-type: none"> Trace the development of Egypt as a nation; e.g., three kingdoms, government, economy. 	Standard 3 economic systems
Standard 6060-02	Students trace the development of European history from the Middle Ages to 1900.	N/A
6060-0202	Describe the development of European countries from 1700 to 1900: <ul style="list-style-type: none"> Examine how European countries developed over time; e.g., politics, war, economics, religion. 	Standard 3 economic systems
Standard 6060-03	Students trace the development of modern Europe from 1900 to the present.	N/A
6060-0301	Examine the effects of war and political unrest in Europe: <ul style="list-style-type: none"> Investigate major causes of WW I and WW II; e.g., economics, invasion, tyranny 	Standard 4 economic incentives
6060-0302	Investigate political and economic development of post-WW II Europe to the present: <ul style="list-style-type: none"> Explore the economic development of Europe; e.g., the Common Market, European Union. 	Standard 4 economic incentives
Standard 6060-05	Students examine the development of European culture from the Middle Ages to 1900	N/A
6060-0501	Describe life in the feudal system <ul style="list-style-type: none"> Describe economic structures of the feudal system 	Standard 3 economic systems
6060-0503	Examine social and economic issues of Europe from 1700-1900 <ul style="list-style-type: none"> Determine the impact of the Industrial Revolution on Europe; e.g., labor manufacturing, trade, and availability of goods. 	Standard 4 economic incentives

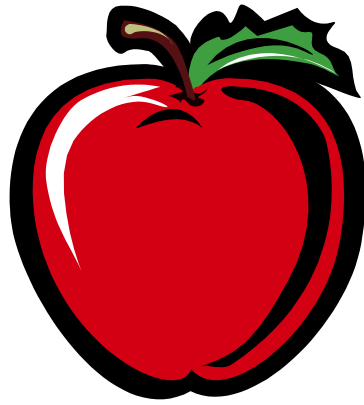
USOE Standard/Objective	Description	National Content Standard
	<ul style="list-style-type: none"> Describe how social and economic issues led to emigration. 	
Standard 6060-06	Students examine the development of European culture from 1900 to the present	N/A
6060-0601	Analyze the impact of war on Europe. <ul style="list-style-type: none"> Examine the reasons for war; e.g., religion, politics, power, economics. 	Standard 4 economic incentives
6060-0602	Explore the culture and current events of modern Europe. <ul style="list-style-type: none"> Examine governance and economic structures. Investigate issues facing Europe today, e.g., pollution, economics, social structure, and country borders. 	Standard 3 economic systems

Suggested lessons and teaching strategy: It is suggested that sixth grade teachers focus their economics instruction on the NCEE guidelines, and leave the USOE economics to be covered in the general coverage of European and ancient civilizations. Some suggested lessons:

“The Profit Puzzle,” Lesson 9 unit 3 of *Focus: Middle School Economics* (New York: NCEE). In appendix. Simple lesson that covers entrepreneurs, incentives, costs of production, profit. Students help Pierre determine which items to continue to sell at his bakery. NCEE standards: 14 cost of production, profit, entrepreneurship, and standard 4 incentives.

“Market Balance,” lesson 11, *Master Curriculum Guide in Teaching Economics: Grades 5-6* (New York: NCEE). Attached as a grade 5 lesson. This lesson covers both shortages and surpluses. NCEE standards: 7 (equilibrium price, demand, supply, shortages and surpluses).

“No Free Lunch,” unit 4 lesson 14 in *Focus: Middle School Economics* (New York: NCEE). This lesson allows students to learn that there are costs and benefits of actions, and that to gain something, you must give up something (a “trade-off”). Student must decide if they want to reduce school athletics to pay teachers more. NCEE standards: 1 (opportunity cost), 2 (trade-offs, benefits and costs), and 16 (taxes).



Economic Education Seventh Grade

SEVENTH GRADE

USOE economics requirements in seventh grade related to the production, distribution and consumption of goods and services. In particular, seventh graders learn about how economies organize production and consumption, including the economic institutions. The USOE standards require students to apply these concepts to industries and firms in Utah. In addition, Utah seventh graders are required to explain how economic forces molded historical events in Utah.

USOE key economic concepts:

USOE Standard/Objective	Description	National Content Standard
Standard 6100 - 06	Students will demonstrate why societies organize available resources for the production, distribution, and consumption of goods and services.	Standard 3 economic systems; What? How? For Whom?
6100-0601	<p>Explain how scarcity of resources affects economic development in Utah. Example</p> <ul style="list-style-type: none"> List and define basic economic terminology. Explain how scarcity of resources requires the development of economic systems to make basic decisions about how goods and services are produced and distributed; e.g., sugar, copper, water, uranium, telephone. 	<p>Standard 1 scarcity, Standard 6 specialization</p> <p>Standard 3 economic systems; What? How? For Whom?</p>
6100-0602	<p>Compare and contrast the various economic institutions that comprise economic systems: households, business firms, banks, government agencies, labor unions, and corporations.</p> <ul style="list-style-type: none"> Explain how individual decisions of institutions affect the economy within their geographic area; e.g., Z.C.M.I., Walker Brothers, Bureau of Land Management, Hill Air Force Base, Geneva Steel. Analyze public and private economic interdependence; e.g., mining, forestry, manufacturing, tourism. 	Standard 10 economic institutions, Standard 6 interdependence

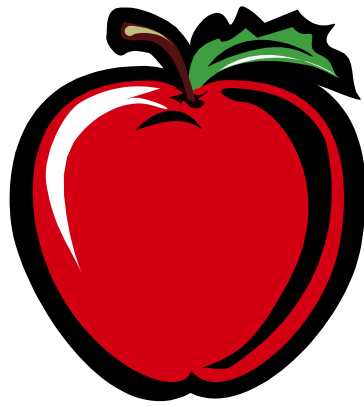
USOE Standard/Objective	Description	National Content Standard
6100-0603	<p>Apply economic concepts and economic reasoning to historical and contemporary social developments and issues.</p> <ul style="list-style-type: none"> Describe the interaction and the opportunity costs of one economic decision over another; e.g., conservation, environmental protection, nuclear storage, tourism, urban growth. Trace the changes in Utah's economic bases from early Utah to modern day; e.g., agricultural, mineral, industrial, technological. Describe the impact of the Great Depression on Utah's economy. 	<p>Standard 1 scarcity choice and opportunity cost; Standard 2 decision making, benefits and costs Standard 6 specialization</p> <p>Standard 18 circular flow</p>

Suggested lessons and teaching strategy: a good approach for seventh grade teachers is to focus upon how economic systems organize production and distribution; and then to relate this to unique characteristics of Utah. The attached lesson, What? How? For Whom?, teaches how economic systems organize resources (USOE standard 6100-06; NCEE Standard 3 economic systems)

“What? How? For Whom?” (In appendix) Lesson 2 of *Master Curriculum Guide for Teaching Economics 5-6* (New York: NCEE). This is an easy and simple to do lesson that requires students to answer the three basic questions every economic system must answer: What to produce; how to produce it, and for whom. (NCEE standard 3 economic systems; USOE standard 6100-06)

“Dandy Dollar Takes a Trip, Lesson 3 of *Master Curriculum Guide for Teaching Economics 5-6* (New York: NCEE). This lesson explains the concept of the “circular flow,” where firms buy resources from households and households buy goods from firms. This lesson meets USOE standard 6100-0602, NCEE standard 18 circular flow.

“The Path Not Taken,” Lesson 1 of *Focus: Middle School Economics* (New York: NCEE). This lesson is a nice way to teach USOE standard 6100-0603 (NCEE standards 1 scarcity choice and opportunity cost, standard 2 decision making) with a historical twist. After learning the basic concepts of scarcity and opportunity cost, students follow the life of Madam C.J. Walker in the 1860s and trace the consequences of her life choices.



Economic Education Eighth Grade

EIGHTH GRADE

Social studies economics curriculum for grade 8 is centered around United States history and emphasize historic events from the age of exploration to reconstruction and the western movement. In general, these standards are similar to those for grade 7; however in grade 8 these concepts are applied to U.S. history while grade 7 applies them to Utah.

USOE key economic concepts:

USOE Standard/Objective	Description	National Content Standard
Standard 6120-06	Students will demonstrate how and why societies organize available resources for the production, distribution, and consumption of goods and services.	Standard 3 economic systems
6120-0601	<p>Explain how resources affected the development of the United States. Examples</p> <ul style="list-style-type: none"> Analyze how the exchanges between European settlers and Native Americans economically impacted both the "New World" and the "Old World"; e.g., horse, maize, sugar cane, gold, tobacco, disease. Explain the historical significance of economic terms; including scarcity, opportunity cost, supply and demand, market economy, and price as the country changed from an agricultural, to pre-industrial, to industrial economy. Compare and contrast 18th and 19th century economic practices of traditional, planned, and market on the American continents. Compare and contrast the results of open and closed economic systems. Cite examples of the economic cycle throughout the history of the United States. 	<p>Standard 1 scarcity; Standard 3 economic systems Standard 5 voluntary exchange</p> <p>Standard 1 scarcity and opportunity cost, Standard 8 markets, demand and supply, price</p> <p>Standard 3 economic systems: command, market, traditional Standard 6 gains from trade Standard 18 circular flow</p>

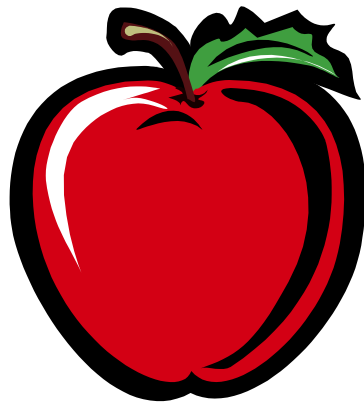
6120-0602	<p>Compare and contrast the institutions that comprise economic systems: households, factories, business firms, banks, government agencies, labor unions, corporations</p> <ul style="list-style-type: none"> • Trace the development of colonial economic systems. • Analyze the differences between the economic systems of the North and South in the 18th and 19th centuries. • Identify patterns of trade between the United States and other countries. • Examine the development of the free enterprise system in the United States. 	<p>Standard 10 economic institutions</p> <p>Standard 3 economic systems;</p> <p>Standard 6 specialization and comparative advantage</p> <p>Standard 6 specialization, comparative advantage and interdependence</p> <p>Standard 10 economic systems</p>
6120-0603	<p>Apply economic concepts and reasoning to historical and contemporary issues and social development.</p> <ul style="list-style-type: none"> • Evaluate the impact of economic downturns to the development of the country. • Analyze the impact of wartime and peacetime on the development and distribution of goods and services in the United States. 	<p>Standard 18 circular flow, Standard 19 Unemployment</p> <p>Standard 18 circular flow</p>

Suggested lessons and teaching strategy: Grades 7 and 8 USOE requirements are very similar; in grade 7 these concepts are applied to Utah while in grade 8 they are applied to the United States. Grade 8 teachers can use the suggested lessons from the grade 7 section and apply them to U.S. history and the U.S. economy. Fortunately, the NCEE has developed several sources that apply economics to U.S. history (see in particular *United States History, Eyes on the Economy* vol. 1 and 2).

“The New World was an Old World” (In appendix) Unit 2 lesson 1 in *United States History, Eyes on the Economy* vol. 1 (New York: NCEE). This is an excellent lesson that combines several USOE standards (6120-0601, and parts of 6120-0602) while covering NCEE standards: 1 (scarcity and opportunity cost), 3 (economic systems), and 6 (exchange and interdependence). The lesson focuses on three Indian nations (Pueblo, Choctaw, and Iroquois) and how their resource endowments determined production and trade during colonial times.

“The Economic Effects of the Civil War” Unit 8 lesson 1 in *United States History, Eyes on the Economy* vol. 1 (New York: NCEE). This is a wonderful lesson that directly applies to USOE standard 6120-0603 regarding the economic impact of war. Students learn whether the Civil War helped or hurt the U.S. economy and identify costs and benefits of the war. Additionally, they learn about the relative productive resources of the North and South (NCEE standard 1 productive resources and opportunity cost), and economic growth (NCEE standard 15 economic growth).

“Whatdunit? The Great Depression Mystery” Unit in *United States History, Eyes on the Economy* vol. 2 (New York: NCEE). This lesson covers USOE 6120-0603 regarding the impact of economic downturns to the development of the country (NCEE standard 18 circular flow); the lesson also discusses the Federal Reserve System which is an economic institution required under USOE 6120-0602. Students learn about economic downturns where workers lose jobs, spend less, thereby further reducing spending and causing other workers to lose jobs.



Economic Education Ninth – Twelfth Grades

Economics in Utah's Secondary Schools Grades 9-12

This section of the handbook will focus on several themes. It will communicate achievement expectations in economics for the high school graduates set forth by the Utah State Office of Education (USOE). Also contained in this section will be a comparative analysis of the National Council on Economic Education Secondary standards and the standards of Utah high school social studies classes that contain economics:

- Economics (USOE 6320)
- Geography for Life (USOE 6200)
- World Civilizations (USOE 6220)
- United States History (USOE 6120)
- American Government and Law (USOE 6300).

Social studies teachers of Utah have a great opportunity to enrich their instruction by addressing economic concepts in history, geography, world civilization, and government. Utah's semester Economics Class (6320) is a capstone course for junior and seniors and taken as an elective in most districts. Students that have been exposed to basic economic concepts and economic reasoning will be more able to develop a higher level of understanding how the economic world functions. Learning how the economic world operates is a life skill.

For example, geography and world civilization instructors can address economic concepts dealing with resource endowments and economic systems. Civics and government teachers can highlight the role of government in the market. United States History teachers can use the concepts of productivity, competition, and market structure in explaining the rise of big business; study of the New Deal and Great Depression require students to be knowledgeable of many economic concepts and able to employ economic reasoning skills.

Business and math teachers can also enrich their instruction by including economics concepts. Business cycles, demand and markets are examples. Math instructors can use GDP, inflation other economic data to help students achieve competency in graphing, ratios, and computing percentages.

6320 - Economics [1996]

Course Description: The course focuses on the study of economic problems and the methods by which societies solve them. Characteristics of the market economy of the United States and its function in the world and methods of applying economics to one's life will be explored. The stand-alone course is a survey of micro and macro economics; the USOE standards deal more with the application of these concepts rather than the concepts themselves.

High School economics 6320 contains seven core standards; the economics class applies economic reasoning and concepts to these standards. The following sections discuss each of these core standards, relate them to the NCEE standards, and suggest teaching strategies, lessons and activities. The core standards for High School economics 6320 are:

1. Process Skills 6320-01
2. Geography 6320-02
3. History 6320-03
4. Political Science 6320-04
5. Culture (Anthropology, Sociology, Psychology) 6320-05
6. Economics 6320-06
7. Life Skills 6320-07

1. Process Skills 6320-01

USOE Standard/Objective	Description	National Content Standard
Standard 6320 – 01 Process Skills	Students will demonstrate through individual group processes a variety of creative, critical, causal, interpretive, and reflective thinking skills through observing, reading, writing, listening, speaking, and problem solving	N/A
6320-0101	Develop observation skills to foster inquiry in economics. <ul style="list-style-type: none">• Use current events to predict possible economic problems and solutions.• Construct questions, based on observations that can be used to address changes in the economy	N/A
.6320-0102	Develop writing skills in economics. <ul style="list-style-type: none">• Define in your own words basic economic concepts e.g., opportunity cost, supply, demand, equilibrium, price, and elasticity.	N/A

USOE Standard/Objective	Description	National Content Standard
	<ul style="list-style-type: none"> Write and document a research project reflecting an economic problem or concept. 	
6320-0103	Develop reading skills in economics. <ul style="list-style-type: none"> Use appropriate vocabulary; e.g., opportunity cost, supply, demand, equilibrium, price, elasticity. Read and identify different points of view concerning economic theory and/or decisions. 	N/A
6320-0104	Develop speaking skills in economics <ul style="list-style-type: none"> Participate in group discussions, activities, and planning sessions. Defend a point of view when giving an oral presentation. 	N/A
6320-0105	Develop listening skills in economics. <ul style="list-style-type: none"> Listen to and evaluate various sources of information when forming an opinion or course of 'action in solving an economic problem. Find the main and supporting ideas from a discussion, lecture, or media presentation. 	N/A
6320-0106	Develop causal reasoning skills in economics. <ul style="list-style-type: none"> Separate fact from interpretation of facts. Explain cause and effect relationships. Evaluate the idea that events and actions have consequences. Apply causal reasoning to information seen, heard, or read. Evaluate the economic value of community service for individuals, businesses, and government entities. 	N/A

USOE Standard/Objective	Description	National Content Standard
6320-0107	<p>Develop critical analysis skills in economics.</p> <ul style="list-style-type: none"> • Use analogies from the lives of students to explain economic choices. • Collect economic data about Utah using specific topics or themes. • Construct a simple analysis of data using graphs, charts, and tables from databases. 	N/A
6320-0108	<p>Develop interpretive skills in economics.</p> <ul style="list-style-type: none"> • Modify opinions and solutions based on additional information. • Read and interpret economic graphs and apply them in their appropriate context. 	N/A
6320-0109	<p>Develop creative thinking in economics.</p> <ul style="list-style-type: none"> • Develop solutions and predict outcomes to an economic situation, based on economic data. • Discuss problems and potential solutions using brainstorming strategies. • Predict how future changes in technology may affect your personal life. 	N/A
6320-0110	<p>Develop research and presentation skills.</p> <ul style="list-style-type: none"> • Demonstrate how to access information on current economic indicators and market conditions. • Present an oral report on an economic concept using current events. • Explore general economic trends using relevant sources; e.g., The Wall Street Journal, business/economic television programming, weekly business publications. 	N/A

USOE Standard/Objective	Description	National Content Standard
6320-0111	<p>Explore career opportunities in economics.</p> <ul style="list-style-type: none"> • Identify employment trends. • Explore the educational paths recommended to be a business or social economist. • Show how economic knowledge can be used in any occupation. 	N/A

2. Geography 6320-02

USOE Standard/Objective	Description	National Content Standard
Standard 6320-02 Geography	Students will understand a comprehensive geographical view of the human and physical worlds and why and how they influence and relate to the environment, societies, and to global interconnectedness and interdependence.	N/A
6320-0201	<p>Develop map and globe skills of space and place. Examples</p> <ul style="list-style-type: none"> • Use natural resources and population density maps to predict the potential economic activity of a region. <p>Locate historical and /or current regions where examples of the world's major economic systems can be found i.e., traditional, market, mixed-market, and command.</p>	<p>Standard 6 specialization and absolute advantage</p> <p>Standard 3, economic systems</p>
6320-0202	<p>Develop, plan, and evaluate alternative uses of environments and resources.</p> <ul style="list-style-type: none"> • Analyze how human and physical changes on the earth can affect business cycles i.e., inflation/deflation, depression/recession, expansion /contraction 	Standard 18, GDP and circular flow

USOE Standard/Objective	Description	National Content Standard
	<ul style="list-style-type: none"> Analyze how comparative and absolute advantage may lead to or impede international trade. Explain how major economic indicators such as gross national product, unemployment, stock market, and consumer price index reflect the interaction among nations. 	<p>Standard 6, trade, comparative and absolute advantage</p> <p>Standard 18, macroeconomic indicators; Standard 6 trade and inter-dependence</p>

Suggested lessons and teaching strategy: The NCEE has an excellent book, *Geography: Focus on Economics* (New York: NCEE) specifically for high school geography teachers. This book contains 12 ready for the classroom lessons. Lesson number 3, "Why Nations Trade" covers USOE 6320 very well and is included as a sample lesson in the appendix. Lesson 7, "Places and Production," addresses NCEE standard 18, which is also part of USOE 6320.

3. History 6320 – 03

USOE Standard/Objective	Description	National Content Standard
Standard 6320-03 History	Students will demonstrate why and how ideas, attitudes, events, persons, movements, and documents have influenced humanity.	N/A
6320-0301	<p>Demonstrate that historical interpretation and knowledge of economic systems are socially influenced. Example</p> <ul style="list-style-type: none"> Trace the development of the world's major economic systems over time i.e., traditional, market, mixed-market, and command Trace the development of money as a socially acceptable medium of exchange. Briefly outline the history of the Federal Reserve System. 	<p>Standard 3, economic systems</p> <p>Standard 11, money</p> <p>Standard 20, Federal Reserve Policy</p>

USOE Standard/Objective	Description	National Content Standard
6320-0302	<p>Identify and describe selected periods or movements of historical change within and across cultures.</p> <ul style="list-style-type: none"> Describe the nature and causes of business cycles, using examples from selected periods of time i.e., inflation/deflation, depression/recession, expansion/contraction. Identify and summarize specific examples of international trade throughout history; e.g., the Roman Era, European, African and Asian trade routes, mercantilism, and Post-Cold War economic unions. Compare and contrast labor force trends which have affected economies and predict the future of the labor movement based on past history. Identify and compare examples of taxation throughout different historical periods with the 1990s. 	<p>Standard 18, GDP and circular flow</p> <p>Standard 6 trade and specialization</p> <p>Standard 13 labor and human resources, Standard 10 economic institutions</p> <p>Standard 16, taxes</p>
6320-0303	<p>Use ideas, theories, and modes of inquiry drawn from history in the analysis of contemporary social arrangements.</p> <ul style="list-style-type: none"> Cite examples of how the philosophy of capitalism has impacted attitudes toward private property, private enterprise, and freedom of choice. Compare and contrast current examples of four types of market structures found in the United States i.e., pure monopoly, oligopoly, monopolistic competition, and pure competition. 	<p>Standard 3 economic systems</p> <p>Standard 9, levels of competitive markets</p>

Suggested lessons and teaching strategy: There are two excellent sources for high school teachers to use to combine economics and history. The first, *United States History: Eyes on the Economy* (New York: NCEE, two volumes), contains economic mysteries that can be solved with economic analysis addressing such topics as economic systems of early Native Americans, and business cycles in the 1830's. The second book, *United States History: Focus on Economics* (New York: NCEE), examines such questions as why would a free person choose to become an indentured servant? Some suggested lessons include:

Entrepreneurship in the U.S. Economy, Lesson 6, "Entrepreneurship in Different Economic Systems," pp. 22-26. This lesson covers NCEE standard 4, economic systems.

United States History, Eyes on the Economy, Vol. 1, Unit 7, Lesson 3, "Boom and Bust in the 1830's," pp.139-143. This lesson covers NCEE standard 18.

4. Political Science 6320-04

USOE Standard/Objective	Description	National Content Standard
Standard 6320-04 Political Science	Students will demonstrate why people in different societies create and adopt systems of government and how each addresses human needs, rights, and citizen responsibilities.	N/A
6320-0401	<p>Identify and examine persistent issues involving the rights, roles, and status of the individual in relation to the general welfare. Example</p> <ul style="list-style-type: none"> • Explain the role of the "invisible hand" and the "profit motive" in redirecting self-interested behavior toward serving the public interest. • Analyze situations where the market system fails to maximize the public interest including monopolies and externalities. 	<p>Standard 4 incentives; Standard 9 competition, Standard 14 profit and entrepreneurship</p> <p>Standard 16, role of government</p>

6320-0402	<p>Compare and contrast different political systems, their ideologies, institutions, processes, and political cultures.</p> <ul style="list-style-type: none"> Analyze the economic advantages and disadvantages of the major economic systems i.e., traditional, market, mixed-market, socialist, and command. Explain how free enterprise answers the basic economic questions of what, how, when, and for whom goods and services are produced. 	Standard 3, economic systems
6320-0403	<p>Compare and contrast the ways societies and organizations respond to conflicts between the forces of unity and the forces of diversity.</p> <ul style="list-style-type: none"> Explain how the market economy coordinates the actions of otherwise competitive individuals and firms. Evaluate the role of international trade agreements in reducing and/or escalating global conflicts. 	<p>Standard 6, interdependence</p> <p>Standard 6, interdependence</p>
6320-0404	<p>Identify the relationships between the private and public sectors of the economy.</p> <ul style="list-style-type: none"> Illustrate the relationship between households, firms, government and international sector, using the concept of the circular flow of economics. Explain how individuals and groups use the public sector to serve the private interest. 	<p>Standard 18, circular flow</p> <p>Standard 17, barriers to trade and interest groups</p>

Suggested lessons and teaching strategy: The intersection of economics and political science (called political economy) offers many opportunities for high school political science teachers. An excellent resource is *Civics and Government: Focus on Economics* (New York: NCEE), which contains 16 lessons on politics, government and the economy (see attached lesson 4). Two areas that would be very closely tied to USOE standards and also teach the role of government in the economy would be NCEE standard 16 (USOE standard 6320-0401) “role of government,” and NCEE standard 3 (USOE standard 6320-0402) economic systems. Suggested lessons:

“What are the Economic Functions of Government?” (In appendix) unit II lesson 4 from *Civics and Government: Focus on Economics* (New York: NCEE). This is a great lesson on the six economic functions of government.

“Entrepreneurship in Different Economic Systems,” lesson 6 in *Entrepreneurship in The U.S. Economy*, (New York: NCEE). This covers NCEE standard 4 Economic Systems (USOE standard 6320-0402).

“Regulation of Business,” Lesson 3, pp. 89-94. *United States History, Eyes on the Economy*, Vol. 2, Unit 4, (New York: NCEE). NCEE Standard 9, competition.

“Federal Tax Reform,” *The Senior Economist*, Vol. 2, No. 2, spring, 1987. NCEE Standard 10, Income Distribution.

5. Culture (Anthropology, Sociology, Psychology) 6320-05

USOE Standard/Objective	Description	National Content Standard
Standard 6320-05	Students will demonstrate why and how commonalities and differences of ideas, attitudes, choices, and technologies influence the interaction and behavior of individuals, groups, institutions, and cultures.	N/A
6320-0501	<p>Apply an understanding of culture as an integrated whole that relates to traditions, attitudes, behavioral patterns, and artifacts. Example</p> <ul style="list-style-type: none"> Analyze the ways in which available resources can help to shape the traits of culture within a given group. 	Standard 6, absolute and comparative advantage

USOE Standard/Objective	Description	National Content Standard
	<ul style="list-style-type: none"> Evaluate how cultural traditions, attitudes and behavior patterns influence the perceived value of various factors of production within a given society. 	
6320-0502	<p>Identify and describe both current and historical examples of the interaction and interdependence of individuals and societies in a variety of cultural settings.</p> <ul style="list-style-type: none"> Describe the various roles and norms that govern the production, distribution, and consumption of goods and services within the following societies; e.g., hunter/gatherer, pastoral, horticultural, agricultural, industrial, and information/technological. Explain the operation of supply and demand in the mixed-market economy of the United States 	<p>Standard 6 interdependence</p> <p>Standard 3 traditional economy</p> <p>Standard 7 prices, supply and demand</p>
6320-0503	<p>Explain why individuals, groups, and institutions respond to change in a particular way on the basis of shared assumptions, and technologies.</p> <ul style="list-style-type: none"> Compare and contrast the ways in which cultural variation within and among societies helps to create differences in the economic value of resources. Explain how change in personal life situations helps to shape personal economic decisions. 	<p>Standard 10 economic institutions</p> <p>Standard 4 incentives</p>
6320-0504	<p>Describe the various forms and roles institutions take in furthering both continuity and change.</p> <ul style="list-style-type: none"> Analyze the role of education in helping individuals to change their economic status. 	<p>Standard 13, human resources and income</p>

USOE Standard/Objective	Description	National Content Standard
	<ul style="list-style-type: none"> Compare and contrast the ways in which government economic policies both impede and promote economic growth within society. 	Standard 16 role of government; Standard 17 costs of government

Suggested lessons and teaching strategy: The USOE standards for culture focus upon the interaction of resource endowments and behavior. A good suggested lesson for culture that examines economic growth (6320-0504, NCEE standard 17) is “Cost Cutting is Fashionable,” (In appendix) lesson 6 unit 4 in *United States History, Eyes on the Economy* (New York: NCEE). Other lessons:

Role of government (USOE 6320-0504) see “What are the Economic Functions of Government?” and “Regulation of Business” under political science.

Role of education and economic status (USOE 6320-0504). “Why Do Some People Make More than Others?” lesson 5 unit 3, *Capstone: The Nations High School Economics Course* (New York: NCEE).

6. Economics 6320-06

USOE Standard/Objective	Description	National Content Standard
Standard 6320-06 Economics	Students will demonstrate why societies organize available resources for the production, distribution, and consumption of goods and services.	Standard 3 economic systems
6320-0601	<p>Explain how the scarcity of productive resources including natural, human, and capital goods requires the development of economic systems to make basic decisions about how goods and services are to be produced and distributed.</p> <p>Example</p> <ul style="list-style-type: none"> List and describe the primary factors of production. Identify the principal elements of scarcity in the context of unlimited wants and limited resources. Evaluate the tradeoffs involved in alternative uses of resources using the production possibilities curve. 	<p>Standard 3, economic systems</p> <p>Standard 1 resources</p> <p>Standard 1 scarcity</p> <p>Standard 2 tradeoffs, costs and benefits</p>

USOE Standard/Objective	Description	National Content Standard
6320-0602	<p>Compare and contrast the various economic institutions that comprise economic systems: households, firms, banks, government agencies, labor unions, corporations, and the stock market.</p> <ul style="list-style-type: none"> Analyze the advantages and disadvantages of the four types of market structures; i.e., pure monopoly, oligopoly, monopolistic competition, and pure competition Explain the relationship between financial institutions and the Federal Reserve System in creation and control of the money supply. Compare and contrast the basic forms of business ownership; e.g., sole proprietorship, partnership, corporation, franchise, and cooperatives. Explain the role of entrepreneurs in organizing and allocating economic resources. 	<p>Standard 10, economic institutions</p> <p>Standard 9 levels of competition</p> <p>Standard 20 Federal Reserve System</p> <p>Standard 10, legal forms of business</p> <p>Standard 14, entrepreneurship</p>
6320-0603	<p>Apply economic concepts and economic reasoning to historical and contemporary social developments and issues.</p> <ul style="list-style-type: none"> Identify and discuss major economic indicators; e.g., gross national product, unemployment, price indexes, stock and bond market indexes. Evaluate the usefulness of alternative economic indicators as measures of social welfare and progress. Describe the nature and causes of business cycles. 	<p>Standard 18, macroeconomic indicators</p> <p>Standard 18, circular flow</p>

USOE Standard/Objective	Description	National Content Standard
	<ul style="list-style-type: none"> • Explain the relationship between saving, investment, and economic growth. • Explain the relationship among sustainable economic growth, environmental issues, and other social goals. 	<p>Standard 15, investment and economic growth</p> <p>Standard 2 tradeoffs, benefits and costs</p>

Suggested lessons and teaching strategy: Most schools that offer this class will have text and other materials available. To supplement the course, the following materials are suggested:

Focus: High School Economics (New York: NCEE). This is an excellent book containing 20 lessons that cover a wide variety of microeconomic and macroeconomic concepts.

Advanced Placement Economics Microeconomics: Student Activities; Advanced Placement Economics Macroeconomics: Student Activities and *Advanced Placement Economics Teacher Resource Manual* (New York: NCEE). The two activity books contain over 70 lessons and activities for advanced placement students. All of these texts are keyed to the College Board's course syllabus to prepare students for the advanced placement test in economics.

Teaching Strategies for High School Economics Courses (New York: NCEE). This book is designed specifically for HS economics teachers and contains an excellent overview of the basic concepts, with classroom ready lessons, that HS students should learn in a stand-alone economics course. The book is designed for flexibility to take into account local needs. The book has several suggested strategies for students of different kinds and teaching settings.

Capstone: The Nation's High School Economics Course (New York: NCEE). Students use economic analysis to solve 58 economic mysteries. Includes a teacher's manual.

7. Life Skills 6320-07

USOE Standard/Objective	Description	National Content Standard
Standard 6320-07 Learning Skills	Students will demonstrate why and how lifelong learning, collaboration, and responsible citizenship are necessary to promote personal and public good.	
6320-0701	Demonstrate the characteristics of lifelong learning in school activities. Example <ul style="list-style-type: none"> Analyze the influence of economic institutions and mass communication on an individual's perception of the world. Investigate career opportunities in economics. 	
6320-0703	Demonstrate an understanding of, and a reasoned commitment to, the rule of law. <ul style="list-style-type: none"> Respect and defend individual rights and property. Demonstrate individual economic responsibility. Recognize how individual economic choices and actions affect self, family, and community. Understand how an economic system can impose order on a society. Evaluate the opportunities in a society in which people are allowed to communicate and to express different economic points of view. Analyze the causes, effects, strengths, and problems of the free enterprise system Analyze historical and contemporary examples in which individuals demonstrated respect and support for the rights, responsibilities, and dignity of all people. 	Standard 16 role of government and property rights Standard 3, economic systems Standard 4 economic systems; Standard 14 entrepreneurship

Suggested lesson plans and teaching strategy: Life skills deals more with personal finance and economics than formal economics. A good source of information regarding a career in economics (USOE standard 6320-0701) can be found in the Bureau of Labor Statistics annual publication *Occupational Outlook Handbook* (Washington, DC: USGPO). This book also contains wonderful information on a wide variety of occupations. One suggestion for life skills instructors is to use the lesson, “What Are the Economic Functions of Government?” in the political science section (NCEE standard 16, role of government and property rights; USOE 6320-0703). A good discussion of the free enterprise (market) system in the US and other systems is “Entrepreneurship in Different Economic Systems” (NCEE standards 4 economic systems and 14 entrepreneurship; USOE standard 6320-0703) under the History section.

Geography for Life 6200: STANDARD 06 Economics

Geography for Life is designed to introduce students to the world of geographic study. All people, places, significant events, cultures, and environments studied have locations.

USOE Standard/Objective	Description	National Content Standard
Standard 6200-06 economics	Students will understand and demonstrate the geographic interconnectedness of history, political science, sociology, anthropology and economics of world regions.	
6200-0601	Explain why and how attitudes, events, persons, movements, and documents over time have influenced historical geography. Example <ul style="list-style-type: none">• Explain interpretations of specific historical events noting the impact of physical and human systems.• Synthesize regional social issues such as desertification, deforestation, pollution, and gender roles, using historical data and appropriate scientific methodology.	Standard 4 incentives
6200-0602	Describe how people in diverse societies create and adopt systems of government addressing human needs, rights, and citizen responsibilities. <ul style="list-style-type: none">• Compare and contrast political systems within world regions.• Analyze the ways societies and organizations respond to conflicts between forces of unity and forces of diversity.	Standard 3 economic systems
6200-0603	Examine how and why commonalities and differences of ideas, attitudes, choices, and technologies influence the interaction and behavior of people. <ul style="list-style-type: none">• Apply an understanding of cultures as an integrated whole relating to traditions, behavior patterns, technologies, and material culture.	Standard 15 economic growth and technological change

USOE Standard/Objective	Description	National Content Standard
	<ul style="list-style-type: none"> Explain why and how individuals, groups, and institutions respond to continuity and change. 	
6200-0604	<p>Explore why societies organize available resources for production, distribution, and consumption of goods and services.</p> <ul style="list-style-type: none"> Illustrate how the unequal distribution of resources effects economic development. Contrast the utility of various economic institutions such as households, business firms, banks, government agencies, labor unions, and corporations. Evaluate a contemporary issue using economic reasoning and the geographic perspective. 	<p>Standard 3 economic systems, What? How? For whom?</p> <p>Standard 13, income distribution</p> <p>Standard 10, economic institutions</p>

Suggested lesson plans and teaching strategy: please refer the economics section (6320); in this section political science (standard 6320-04) and geography (6320-03) have lesson suggestions.

World Civilizations 6220: STANDARD 06 Economics

USOE Standard/Objective	Description	National Content Standard
Standard 6220-06 economics	Students will demonstrate why and how societies organize available resources for the production, distribution, and consumption of goods and services.	Standard 3, What? How? For whom?
6220-0601	<p>Explain how the scarcity and abundance of productive resources including natural, human, and capital require the development of economic systems to make basic decisions about how goods and services are produced and distributed. Example</p> <ul style="list-style-type: none"> Describe the characteristics of traditional, planned, and market economies and compare these models to past and present economic systems. Identify an area where resources were or are scarce and describe the impact on people and governments. 	<p>Standard 3, economic systems</p> <p>Standard 1, scarcity and choice</p>
6220-0602	<p>Compare and contrast the various economic institutions that comprise economic systems: households, businesses, banks, government agencies, worker organizations, and corporations.</p> <ul style="list-style-type: none"> Analyze the development of economic institutions in historical periods of regions studied. Evaluate the importance of different types of transportation, communication, and manufacturing networks as they contribute to economic development in different regions of the world. 	Standard 10, economic institutions

USOE Standard/Objective	Description	National Content Standard
6220-0603	<p>Apply economic concepts and reasoning to historical and contemporary social issues.</p> <ul style="list-style-type: none"> • Show the relationship of economic systems to political development. • Evaluate the effects of specialization of trade on the economic welfare and interdependence of world communities • Analyze shifts in regional relationships that result from tensions among local, national, and global economic interests. • Describe one's abilities and strengths as an individual and as a member of a group. 	<p>Standard 3, economic systems</p> <p>Standard 6, specialization and interdependence</p>

Suggested lesson plans and teaching strategy: The social studies world civilization component is not substantially different from 6320-06, the world civilization standard in the economics course. Please refer to the lessons and suggested approach under that category. In addition, the lesson "Why Nations Trade" (included as part of geography 6320-02) addresses USOE standard 6220-0603.

U.S. History/Government 6250: STANDARD 06 Economics

USOE Standard/Objective	Description	National Content Standard
Standard 6250-06 economics	Through the study of U.S. history students will demonstrate why societies organize available resources for the production, distribution, and consumption of goods and services.	Standard 3, What? How? For whom?
6250-0601	<p>Explain how resources impact the development of economic systems in the United States history and government. Example</p> <ul style="list-style-type: none"> • Distinguish how different resources have affected the economic development throughout the United States history. • Describe the characteristics of traditional, planned, and market economics. • Compare and contrast the economic philosophies and programs presented by various administrations and political parties. Show the relationship between various economic institutions. 	<p>Standard 6, specialization, factor endowments</p> <p>Standard 3, economic systems</p> <p>Standard 10, economic institutions</p>
6250-0602	<p>Apply economic concepts to historical and contemporary social developments and issues.</p> <ul style="list-style-type: none"> • Examine the impact that individual interests and national corporations have on economic programs. • Evaluate the effects of specialization and trade on the economic welfare and interdependence of world communities in their relations with the United States. 	<p>Standard 17, special interest groups</p> <p>Standard 6, specialization and interdependence</p>

Suggested lesson plans and teaching strategy: This unit is very close to Political Science standard (6320-04) in the economics stand-alone course. Please refer to that section for suggested lesson plans and teaching strategy.

6300-06 American Government 6300: STANDARD 06 Law and Economics

USOE Standard/Objective	Description	National Content Standard
Standard 6300-06 economics	Students will demonstrate why societies organize available resources for the production, distribution, and consumption of goods and services.	Standard 3, What? How? For whom?
6300-0601	<p>Explain how the scarcity of productive resources requires the development of economic systems to make basic decisions about how goods and services are produced and distributed. Example</p> <ul style="list-style-type: none"> Identify the key agencies actors in the formulation of economic policy. Summarize the major competing economic theories that have influenced American economic policy. 	<p>Standard 3, economic systems, Standard 1 scarcity</p> <p>Standard 20, fiscal policy, monetary policy, and the Federal Reserve</p>
6300-0602	<p>Compare and contrast the various economic institutions that comprise economic systems including households, business firms, banks, government agencies, labor unions, and corporations.</p> <ul style="list-style-type: none"> Compare and contrast political systems and describe how these respective governments make economic decisions; e.g., democracy, socialism communism, dictatorships, monarchies, oligarchies, aristocracies, and fascism. <p>Demonstrate how financial institutions work and what services they provide.</p>	<p>Standard 10 economic institutions</p> <p>Standard 3, economic systems</p>

6300-0602	<ul style="list-style-type: none"> • Explain the interrelationship between business interests and government. • Analyze the influences of social institutions in mass communication on and individuals' perception of the world. <p>Consider different strategies for dealing with situations arising from conflicting beliefs, levels of education, and socioeconomic status.</p>	<p>Standard 10, banking</p> <p>Standard 16, economic role of government, and Standard 17 special interest groups</p> <p>Standard 16 transfer payments</p>
6300-0603	<p>Apply economic concepts and economic reasoning to historical and contemporary developments in government and law.</p> <ul style="list-style-type: none"> • Discuss how the development of the United States from and agricultural to an industrial nation has altered our approach to government. • Trace the development of monopolies and their effect on society. • Trace the interactions of government and various special interest groups. • Display a practical knowledge of how collective bargaining is utilized by labor unions and business. <p>Distinguish between democratic, republican, and other ideological views on unions and business</p>	<p>Standard 9, levels of competition</p> <p>Standard 17, special interest groups</p> <p>Standard 10, labor unions</p>

Suggested lesson plans and teaching strategy: The requirements for this section are very close to those of political science (Political Science 6320-04 Economics); please refer to that section for additional information and lessons. Additional resources are:

“The Economics of Special Interest Groups” unit 4 lesson 8 from *Capstone: The Nations High School Economics Class* (New York: NCEE). Attached. This lesson requires to students to divide into management and unions, and negotiate a contract. (NCEE Standards 17 special interest groups; USOE standard 6300-0602).

“Labor and Management Negotiate” unit 3 lesson 8 from *Capstone: The Nations High School Economics Class* (New York: NCEE). This lesson requires to students to divide into management and unions, and negotiate a contract. (NCEE Standards 10; USOE standard 6300-0603).

“Business Concentration” topic 11 in *Teaching Economics in American History: A Teachers Manual for Secondary Schools* (New York: NCEE). This lesson contains a number of discussion questions and activities that address monopolies, holding companies and other forms of business concentration in American history. See also *United States History, Eyes on the Economy*, Vol. 2, Unit 4, Lesson 3, “Regulation of Business,” pp. 89-94. (NCEE standard 9, levels of competition, standard 16 role of government; USOE standard 6300-0603).

INDEX OF NATIONAL COUNCIL ON ECONOMIC EDUCATION CONTENT STANDARDS

Standard 1

Description: Productive resources are limited. Therefore, people cannot have all the goods and services they want; as a result, they must choose some things and give up others.

Content Keywords: scarcity; choice; goods; services; wants; opportunity cost; consumers; productive resources; natural resources; human resources; capital resources; human capital; entrepreneurs; producers

Standard 2

Description: Effective decision-making requires comparing the additional costs of alternatives with the additional benefits. Most choices involve doing a little more or a little less of something: few choices are "all or nothing" decisions.

Content Keywords: decision-making, marginal analysis, cost, benefit, and profit maximization

Standard 3

Description: Different methods can be used to allocate goods and services. People acting individually or collectively through government, must choose which methods to use to allocate different kinds of goods and services.

Content Keywords: economic systems; market economy; command economy; traditional economy; What? How? For Whom?

Standard 4

Description: People respond predictably to positive and negative incentives.

Content Keywords: incentives, choice

Standard 5

Description: Voluntary exchange occurs only when all participating parties expect to gain. This is true for trade among individuals or organizations within a nation, and usually among individuals or organizations in different nations.

Content Keywords: exchange; barter; voluntary exchange; barriers to trade; imports; exports

Standard 6

Description: When individuals, regions, and nations specialize in what they can produce at the lowest cost and then trade with others, both production and consumption increase.

Content Keywords: specialization; gains from trade; comparative advantage; absolute advantage; investment in human capital; division of labor; productivity; interdependence; relative prices; productive resources; transaction costs; factor endowments

Standard 7

Description: Markets exist when buyers and sellers interact. This interaction determines market prices and thereby allocates scarce goods and services.

Content Keywords: markets; prices; producers; consumers; relative prices; equilibrium price; quantity demanded; quantity supplied; exchange rate; shortage; surplus

Standard 8

Description: Prices send signals and provide incentives to buyers and sellers. When supply or demand changes, market prices adjust, affecting incentives.

Content Keywords: prices; law of demand; law of supply; substitute goods; determinants of demand; determinants of supply; price ceilings; price floors

Standard 9

Description: Competition among sellers lowers costs and prices, and encourages producers to produce more of what consumers are willing and able to buy. Competition among buyers increases prices and allocates goods and services to those people who are willing and able to pay the most for them.

Content Keywords: competition, levels of competition

Standard 10

Description: Institutions evolve in market economies to help individuals and groups accomplish their goals. Banks, labor unions, corporations, legal systems, and not-for-profit organizations are examples of important institutions. A different kind of institution, clearly defined and enforced property rights, is essential to a market economy.

Content Keywords: economic institutions; banking; saving; interest; savers; borrowers; labor unions; non-profit organizations; property rights; legal foundations of a market economy; legal forms of business

Standard 11

Description: Money makes it easier to trade, borrow, save, invest, and compare the value of goods and services.

Content Keywords: role and function of money; money; definition of money; exchange; currency; money supply

Standard 12

Description: Interest rates, adjusted for inflation, rise and fall to balance the amount saved with the amount borrowed, which affects the allocation of scarce resources between present and future uses.

Content Keywords: interest rate; real vs. nominal; risk; monetary policy

Standard 13

Description: Income for most people is determined by the market value of the productive resources they sell. What workers earn depends, primarily, on the market value of what they produce and how productive they are.

Content Keywords: labor, human resources; marginal resource product; wage; investment in human capital; labor market; prices of inputs; derived demand; personal distribution of income; functional distribution of income

Standard 14

Description: Entrepreneurs are people who take the risks of organizing productive resources to make goods and services. Profit is an important incentive that leads entrepreneurs to accept the risks of business failure.

Content Keywords: entrepreneurship; invention; innovation; benefit; cost; risk; profit; costs of production; taxes

Standard 15

Description: Investment in factories, machinery, new technology, and in the health, education, and training of people can raise future standards of living.

Content Keywords: investment; human capital; physical capital; standard of living; productivity; technological change; economic growth; intensive growth; opportunity cost; risk; trade-off; interest rates; incentives

Standard 16

Description: There is an economic role for government in a market economy whenever the benefits of a government policy outweigh its costs. Governments often provide for national defense, address environmental concerns, define and protect property rights, and attempt to make markets more competitive. Most government policies also redistribute income.

Content Keywords: role of government; distribution of income; taxes; bonds; public goods; externalities; maintain competition; regulation; income tax; transfer payments; non-clearing markets; monopolies; property rights

Standard 17

Description: Costs of government policies sometimes exceed benefits. This may occur because of incentives facing voters, government officials, and government employees, because of actions by special interest groups that can impose costs on the general public, or because social goals other than economic efficiency are being pursued.

Content Keywords: cost; benefit; barriers to trade; special interest groups

Standard 18

Description: A nation's overall levels of income, employment, and prices are determined by the interaction of spending and production decisions made by all households, firms, government agencies, and others in the economy.

Content Keywords: macroeconomic indicators; GDP; circular flow; potential GDP; per capita GDP; nominal and real GDP

Standard 19

Description: Unemployment imposes costs on individuals and nations. Unexpected inflation imposes costs on many people and benefits some others because it arbitrarily redistributes purchasing power. Inflation can reduce the rate of growth of national living standards because individuals and organizations use resources to protect themselves against the uncertainty of future prices.

Content Keywords: inflation; unemployment; labor force; unemployment rate; types of unemployment; CPI

Standard 20

Description: Federal government budgetary policy and the Federal Reserve System's monetary policy influence the overall levels of employment, output, and prices.

Content Keywords: federal budget; fiscal policy; monetary policy; budget deficit; budget surplus; national debt; causes of inflation; tools of the Federal Reserve; open market operations; discount rate; reserve requirements

STATE EDUCATION AND BUSINESS COMMUNITY PROGRAMS



First convened in December, 1995, the Jump\$TART Coalition for Personal Financial Literacy determined that the average student who graduates from high school lacks basic skills in the management of personal financial affairs. Many are unable to balance a checkbook and most simply have no insight into the basic survival principles involved with earning, spending, saving and investing.

Many young people fail in the management of their first consumer credit experience, establish bad financial management habits, and stumble through their lives learning by trial and error. The Coalition's direct objective is to encourage curriculum enrichment to insure that basic personal financial management skills are attained during the K-12 educational experience. The wheels of education do not need to be reinvented, they simply require balance. The website for JumpStart is www.jumpstart.org The website provides national standards and numerous links to valuable financial literacy programs.

The **Utah Jump\$TART Coalition** affiliate was formed in 2000, and is working to bring awareness to the need for personal financial literacy among Utah's youth and to help identify resources and curriculum. The contact person for Utah Jump\$TART is Stephen Nelson; his email address is Stephen@ulcu.com

The Jump\$TART Coalition has released 12 must-know personal finance principles that, if comprehended and understood by young people, will make a real, positive difference in their financial outlook. The 12 principles are:

- 1) Map your financial future** - Take time to list your financial goals, along with a realistic plan for achieving them. You can go places you want to go without a roadmap - but seldom on the first try.
- 2) Don't expect something for nothing** - Be leery of advertisements, sales people or other sources of financial offers promising anything free. Like non-financial opportunities, if it sounds too good to be true, it probably is.
- 3) High returns equal high risks** - Recognize that no one will pay you high interest rates on a sure thing. In most cases, the higher the interest rate offered to you, the investor, the higher the risk of losing some, or all, of the money you invest. Diversification of assets is the best protection against risk.

- 4) Know your take-home pay** - Before committing to significant expenditures, estimate how much income is likely to be available for you. Net income, after all mandatory deductions, is more important to estimate than gross income before deductions.
- 5) Compare interest rates** - Obtain rate information from multiple financial services firms to get the best value for your money.
- 6) Pay yourself first** - Before paying bills and other financial obligations, set aside an affordable amount each month in accounts designated for long-range goals and unexpected emergencies.
- 7) Money doubles by the "Rule of 72"** -- To determine how long it will take your money to double, divide the interest rate into 72. For example, an account earning 6% interest will double in twelve years (72 divided by 6 equals 12).
- 8) Your credit past is your credit future** - Be aware that credit bureaus maintain credit reports, which record borrowers' histories of repaying loans. Negative information in credit reports can affect your ability to borrow at a later point.
- 9) Start saving young** - Recognize that your total savings are determined both by the interest you earn on those savings and the time period over which you save. The sooner you start saving, the more funds you'll be able to amass over time.
- 10) Stay insured** - Purchase insurance to avoid being wiped out by a financial loss, such as an illness or accident. An insurance plan should be part of every personal financial plan.
- 11) Budget your money** - Create an annual budget to identify expected income and expenses, including savings. This will serve as a guide to help you live within your income.
- 12) Don't borrow what you can't repay** - Be a responsible borrower who repays as promised, showing you are worthy of getting credit in the future. Before you borrow, compare your total payment obligations with income that you will have available to make these payments.



MINI-SOCIETY

The Mini-Society is an experience-based instructional system targeted primarily for teaching entrepreneurship, economics, and citizenship concepts to students ages 8 to 12. It was conceived by Dr. Marilyn Kourilsky in the early 1970s and has been refined, extended, and extensively tested over a period of nearly three decades. Mini-Society has been widely implemented in over 43 states and has been shown to be effective across socioeconomic boundaries and student learning styles. Mini-Society has also established its effectiveness outside of the traditional classroom setting, in outside-of-school and summer camp venues such as 4-H clubs.

How does Mini-Society work?

In the Mini-Society, students develop a self-organizing economic society with the consultative guidance of the teacher, driven by the need to resolve a classroom situation involving the fundamental economic issues of scarcity and allocation of resources. The children begin to identify opportunities in their environment and initiate entrepreneurship ventures to provide goods and services to their fellow citizens. As the system swings into action, the spontaneous entrepreneurship, consumer, and social experiences and interactions of the students are woven into an instructional fabric that emphasizes learning in economics and the social sciences. The knowledge and skills acquired through Mini-Society also incorporate and complement other thematic curricula and pedagogues including language arts, math, government and law, ethics, and cooperative learning.

The system is typically implemented in 10 or 20 week increments, three sessions per week, with each session lasting about 45 minutes to 1 hour. Teachers are carefully trained how to exercise facilitative and consultative roles (as opposed to their more traditional lecturing and classroom management roles) to maximize the system's ability to enable student learning in target subject areas. They also are taught how to identify experiential trigger points ("teachable moments") and to leverage those teachable moments through the use of teacher-led structured debriefings. These debriefings correlate the experiential learning of the students with the more formal subject matter concepts their experiences reflect. This correlation with and building upon experiences representing familiar knowledge to the students enable the teachers to advance their students progressively to higher and higher levels of understanding and application.

How do the children benefit from Mini-Society?

Mini-Society is based on the belief that experience is the best teacher. The Mini-Society is an ongoing process of directly experiencing mature entrepreneurship, economic, social, ethical, and political problems, exploring various resolutions and their implications, and instituting solutions and experiencing the consequences of one's decisions. Because the Mini-Society is not just a simulation but a real world to the students, it becomes a highly motivating

instructional system, encouraging independent, creative, self-directed inquiry learning by the students, with guidance from the teacher. Mini-Society students also exhibit measurable increases in positive attitudes toward school and learning.

Through Mini-Society, then, children:

- Develop and experience their own "real world" in the context of entrepreneurship

- Acquire concepts and skills in multiple subject areas

- Discover the importance of cooperation

- Are motivated to marshal their own creative and logical resources

- Learn about setting and achieving goals

- Enhance their sense of empowerment and self-sufficiency

- Have fun

ECONOMICS CHALLENGE



The National Council on Economic Education, depending on annual funding, offers grants for state Economics Challenge contests. Teams of high school students compete in a series of challenging tests of their economic understanding and reasoning abilities. The purpose is to promote student interest in economic education and to promote public awareness.

Any student in a high school economics course is encouraged to participate. There are two divisions: the “Adam Smith” division includes any students enrolled in an AP, IB, or honors, or college level course. The David Ricardo” division is restricted to any students enrolled in a one-semester high school course or less and not labeled as AP, IB, Honors, or college level.

The winning team from each division will advance to a regional competition. The winning team from each division at each of the four regions will advance to the national competition. There will be eight teams at the national competition.

THE STOCK MARKET GAME™

IN UTAH

The program is offered to students in grades 5 through 12 who want to learn about investing and managing their financial future. An exciting, real-world simulation, The Stock Market Game enables participants to discover the risks and rewards involved in decision-making, the sources and uses of capital, and other related economic concepts.

Over the last 20 years, this program has helped more than six million students nationwide and in 15 other countries learn how financial markets work and how capital is raised to fund business growth.

Over the course of 10 weeks, participants invest through the internet game a hypothetical \$100,000 in NASDAQ, Amex, and NYSE-listed common stocks. They research stocks, study how the financial markets work, choose their portfolios, manage budgets, follow companies in the news, and make decisions on whether to buy, sell, or hold. They can compare their portfolios' performance to peers on a weekly basis.

Teachers turn to The Stock Market Game to help meet educational standards across many required disciplines. They find SMG provides an unmatched level of comprehensive curriculum materials for students of all ability levels and hands-on support from a nationwide network of Coordinators. Pre-service teachers enhance their ability to teach economics and financial concepts through their participation in SMG.

Students are enthusiastic about SMG because of its realism, team-based decision-making, and genuine fun. Student team members collaborate to determine their own investment decisions and check their ranking weekly versus all state teams in their division.

The Stock Market Game is a trademarked program of the Securities Industry Foundation for Economic Education (SIFEE), an affiliate of the Securities Industry Association (SIA). SIFEE was established to foster among the public a better understanding of the American economic system and the role of the securities industry within that system.

UTAH BANKERS ASSOCIATION

UBA Consumer Education Programs

UBA offers a variety of resources designed to teach children and adults about money. Some of these resources are:

Your Bank & You

A One-week mini-course in banking designed to teach the basics of and promote financial responsibility. The activity-oriented program is designed to help high school students learn the personal financial skills needed to achieve their goals. The Program uses "hands-on" banking experience through writing and recording checks, reconciling a bank statement, figuring the cost of credit and setting financial goals.

Personal Economics Program "PEP"

A program of the American Bankers Association, PEP is a program designed to aid bankers in their efforts to teach consumers of all ages about personal money management. Participation in the PEP program can help combat fiscal illiteracy and help develop more educated consumers for the future. Material available through the PEP program include:

Available Resources

- National Teach Children to Save Day (April 18, 2002)
- Budgeting, Saving and Credit Booklets
- In Charge - Credit Education for Young Adults
- The Kids Money Book (ABA)
- plus many other brochures and teaching materials.

For additional information about available programs, please contact:

Wendy Holloway, Vice President
Utah Bankers Association
185 South State Street, Suite 201
Salt Lake City, UT 84111
Phone: (801) 364-4303, ext 11
Fax: (801) 364-4495
Email: wholloway@uba.org

FEDERAL RESERVE BANK OF SAN FRANCISCO SALT LAKE CITY BRANCH

The Federal Reserve is the Nation's central bank. It's not like any other bank you know, it won't make you a loan or even accept your deposits. Yet the Fed can have an important effect on you and the value of your money.

The Federal Reserve System has four main responsibilities:

- 1) Formulating monetary policy to maintain stable prices and a growing economy,
- 2) Supervising and regulating depository institutions under the authority of the Federal Reserve to ensure the soundness of banking,
- 3) Providing wholesale banking services to promote efficiency in the nation's payment system, and
- 4) Acting as the fiscal agent for the United States government.

The structure of the Federal Reserve System consists of a central policymaking body in Washington, D. C., called the Board of Governors, and twelve Reserve Banks. Each Federal Reserve Bank serves a specific region, or District, in the United States.

The Salt Lake City Branch of the Federal Reserve Bank of San Francisco is one of five branches serving the Fed's Twelfth District. The Branch serves Utah, most of Idaho, and the eastern three counties of Nevada.

The Federal Reserve Banks provide a great deal of information, including publications, video's and lesson plans for use by educators. Information these services, along with links to various Federal Reserve Bank web sites can be found at: <http://www.frbsf.org/education/index.html>.

The Salt Lake City Branch has a limited tour program and tours are available for visitors of high school age or older in groups of 8 to 30 students. Tours may be scheduled up to six months in advance; a minimum of two weeks advance notice is required. The Branch also maintains a Speakers Bureau. Speakers are arranged for on a time available basis; however, every effort is made to fulfill requests. For further information, please contact Paul Morley, (801) 322-7926, Fax: (801) 322-7945, or e-mail: paul.morley@sf.frb.org. The mailing address of the Branch is P.O. Box 30780, Salt Lake City, Utah 84130.

Additional Resources

1. The Foundation for Teaching Economics (www.fte.org). This is a wonderful site primarily for HS teachers. Includes information about training programs and workshops, some student activities, and extensive lessons. The lessons cover a wide variety of topics such as private property, the constitution, US history, and environmental economics.
2. The Mint (www.themint.org). This is an interactive to increase high school and middle school student's economic and financial literacy. Contains a limited number of lessons; focus is upon financial literacy.
3. EconEdLink (www.econedlink.org). This National Council for Economic Education is an excellent source of K-12 classroom tested lessons organized by NCEE standards.
4. National Council on Economic Education (www.nationalcouncil.org). Website contains information on NCEE materials for K-12 students and teachers, programs, and other information.
5. EcEdWeb (www.ecedweb.org). A great place to go for information regarding economic education in the US, contains many links to other sites. Also has downloadable lesson plans for K-12.
6. Money Management International (www.moneymanagement.org). This site is oriented towards financial literacy but does contain several lessons plans for grades 3-6.
7. Marco Polo (www.wcom.com/marcopolo). This site links several education related sites together, e.g., Econedlink, Science Netlinks (National Science Foundation), Xpeditions (National Geographic Society). The attractive aspect of Marco Polo is that you can find lessons by topic, e.g., if you are studying the Civil War, you can pull down search for Civil War economic, history, and geographic lessons all at once.
8. The Federal Reserve Bank (www.FederalReserveEducation.org). The Federal Reserve Banks have excellent lessons and resources available for economic education; what is even better is that there is no charge for their materials. Although each of the 12 Fed banks websites contains materials and information, the above referenced site is a central point that provides direct links to a wide variety of Fed economic education materials.

Appendices